

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF VIRGINIA  
Richmond Division

In re:

LeClairRyan PLLC,<sup>1</sup>

Debtor

Case No.

19-34574-KRH

Chapter

7

**TRUSTEE’S RESPONSE AND LIMITED OBJECTION TO MOTION OF MICHELE  
CRADDOCK FOR LIMITED RELIEF FROM THE AUTOMATIC STAY**

Lynn L. Tavenner, Trustee, and not individually but solely in her capacity as the Chapter 7 trustee (in such capacity, the “**Chapter 7 Trustee**” and/or the “**Trustee**”) of the bankruptcy estate (the “**Estate**”) of LeClairRyan PLLC (“**LeClairRyan**” and/or the “**Debtor**”), in the above-referenced Chapter 7 case (the “**Case**”) hereby hereby files this response and limited objection (the “**Response**”) to *Motion of Michele Craddock for Limited Relief from the Automatic Stay*, ECF No. 83, filed by Michele Craddock (“**Ms. Craddock**” and/or “**Movant**”) and, in support thereof, states as follows:

**Background**

1. On September 3, 2019 (the “**Petition Date**”), the Debtor filed for relief under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “**Bankruptcy**”

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<sup>1</sup> The principal address of the Debtor as of the petition date was 4405 Cox Road, Glen Allen, Virginia 23060, and the last four digits of the Debtor’s federal tax identification number are 2451.

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*Counsel for Lynn L. Tavenner, Chapter 7 Trustee*

**Code**”). Pursuant to §§ 1007 and 1108 of the Bankruptcy Code, the Debtor operated as a debtor-in-possession.

2. On September 12, 2019, the United States Trustee filed its Motion to Convert Case to Chapter 7 (the “**Motion to Convert**”) and notice thereof. ECF No. 61. At a hearing on September 26, 2019 (the “**September 26 Hearing**”), the Court denied the Motion to Convert.

3. On or about September 18, 2019, Michele Craddock (the “**Movant**”) filed her *Motion of Michele Craddock for Limited Relief from the Automatic Stay* (the “**Motion for Relief**”).

4. On September 20, 2019, Ms. Craddock filed her *Supplemental Statement in Support of the Motion of Michele Craddock for Limited Relief from the Automatic Stay*, ECF No. 93.

5. Per agreement between the Debtor, the United States Trustee, and ABL Alliance, LLLP (the “**Lender**”), the Debtor’s bankruptcy case was converted to a case under Chapter 7 of the Bankruptcy Code on October 4, 2019 (the “**Conversion Date**”).

6. Upon conversion, Lynn L. Tavenner was appointed interim trustee, and she continues to serve in that capacity.

7. As of the date of this Response, the Debtor has not filed its Schedules and Statements, the Trustee has not held the section 341 meeting of creditors, and the Trustee is still gathering information.

### **Response and Limited Objection**

8. The Trustee does not object to the extent that any relief granted does not impact the Estate or property thereof. Furthermore, the Trustee does not object to the relief sought based upon (a) information received from the Debtor’s former employees<sup>2</sup> and/or management that there is

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<sup>2</sup> This “employment” characterization is simply used to describe the Debtor’s business and is not intended to ascribe

insurance coverage for amounts sought; and (b) Ms. Craddock's representations that (i) the relief she seeks will require no significant expense from the Estate and (ii) she will agree to reasonable language in a consent order addressing the Trustee's concerns related to the same. And, the Trustee respectfully requests that any order entered granting the relief sought in the Motion for Relief provide that neither the Trustee nor the LeClairRyan Estate have any future obligations of any sort.

9. The Trustee, through counsel, is currently negotiating the form of order.

10. Until a form of order has been agreed upon, the Trustee reserves the right to object to the relief sought in the Motion for Relief.

WHEREFORE, the Trustee respectfully requests the Court not grant the relief requested in the Motion for Relief until she has agreed on the form of order.

Respectfully submitted,

LYNN L. TAVENNER, CHAPTER 7 TRUSTEE

Dated: October 22, 2019  
Richmond, Virginia

By: /s/ Paula S. Beran  
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any type of legal connotation to the relation between the Debtor and any attorney that the Debtor held out to the public as a LeClairRyan attorney.

**CERTIFICATE OF SERVICE**

I hereby certify that on this 22nd day of October 2019, a true copy of the foregoing Trustee's Response was sent by electronic delivery to:

Robert B. Van Arsdale, Esquire  
Office of the United States Trustee  
701 East Broad Street, Room 4304  
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/s/ Paula S. Beran

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